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STATE OF WISCONSIN  
WISCONSIN EMPLOYMENT RELATIONS COMMISSION  
BEFORE THE MEDIATOR-ARBITRATOR

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

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In the Matter of the Arbitration :
between :
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CITY OF APPLETON : Case CXV
: No. 24293 MED/ARB-344
and : Decision No. 17066-A
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APPLETON CITY EMPLOYEES (Waste Water :
Division), LOCAL 73, AFSCME, AFL-CIO :
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APPEARANCES:

- Mr. David F. Bill, Personnel Director, appearing on behalf of  
of the City.
- Ms. LeNore J. Hamrick, Representative, appearing on behalf of  
the Union.

ARBITRATION AWARD

Appleton City Employees (Waste Water Division), Local 73, AFSCME, AFL-CIO, on March 16, 1979, filed a petition with the Wisconsin Employment Relations Commission to initiate Mediation-Arbitration pursuant to Section 111.70(4)(cm)6 of the Municipal Employment Relations Act to resolve a collective bargaining dispute between the Union and the City of Appleton. On June 20, 1979, Kay B. Hutchison was appointed Mediator-Arbitrator in the dispute. A mediation session was held in Appleton, Wisconsin on August 9, 1979. Mediation failed to resolve the impasse, and by the prior agreement of the parties, the matter proceeded to arbitration on that same date. The parties had full opportunity to present relevant evidence and argument. Post-hearing briefs were exchanged by the arbitrator on September 4, 1979.

STATUTORY CRITERIA:

The Arbitrator is required to select one of the parties' final offers in total having considered and given weight to the following factors:

- "a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
- d. Comparison of wages, hours and conditions of employment of the municipal employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally in public employment in the same community and in comparable communities and in private employment in the same community and in comparable communities.

- e. The average consumer prices for goods and services, commonly known as the cost-of-living.
- f. The overall compensation presently received by the municipal employees, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- h. Such other factors, not confined to the foregoing, which are normally and traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment."

#### POSITIONS OF THE PARTIES:

The sole issue in dispute between the parties is the wage rate for the 1979 contract. The City's final offer is 42¢ per hour across the board effective January 1, 1979. The Union's final offer proposes an increase of 35¢ per hour effective January 1, 1979, and an increase of 15¢ per hour effective July 1, 1979.

The dispute basically involves the level of wage rates for the second half of the year. In terms of net financial impact, the proposals cost out within \$176.80 of one another. However, the Union offer provides an eight cents per hour difference in wage rates at the end of the contract year. Accordingly, the Union final offer would incorporate an increase of 42 1/2¢ per hour over the life of the contract (35¢ plus 1/2 of the 15¢ increase), while the Employer's final offer would provide 42¢ per hour increase for the term of the contract.

The parties offered comparative data with respect to the terms and conditions of employment observed in surrounding waste water departments of similar size. The Union and the Employer cite waste water departments in Fond du Lac, Green Bay, Manitowoc, Neenah-Menasha, Oshkosh and Sheboygan as appropriate comparisons. The Employer also included the Heart of the Valley district which serves several smaller cities in the vicinity of Appleton. At the time of the arbitration hearing, Appleton was in the process of converting to a new treatment facility. Of the aforementioned surrounding waste water departments, Fond du Lac, Green Bay and Oshkosh have physical plants which equal the technological complexity of the new Appleton facility.

The Union argues that in the event its final offer is selected by the arbitrator, Appleton will be below average in wages paid in the waste water department although it is the second largest city among the cited comparables. Therefore, the Union reasons that its final offer is preferable in order to maintain Appleton's relative ranking among similar departments.

The Union contends that an appropriate comparison can be made between wages paid the instant employees and those received by employees in the city water plant. The Union argues that the highest paid employee in the waste water department will be paid 5¢ less per hour, under the Union offer, than the lowest paid employee in the water plant.

The Union asserts that area 1979 settlements in the private

sector have included increases of approximately 10%. Furthermore, the Union points out that as of June, 1979, the cost of living was increasing annually by 11%. Employees in the waste water department, according to the Union, are continuing to lose purchasing power as their real, spendable income has slipped downward over the past seven years.

The Union argues that the new plant has required additional training of employees and that the newly acquired skills of such employees should be appropriately compensated.

The Employer does not claim an inability to pay the wages contained in the Union offer. However, the Employer argues that adoption of the Union proposal would impact upon the public welfare and the Employer's financial ability to pay in subsequent years as the Union's wage rates would become part of the bargaining base for 1980.

The Employer emphasizes that the Union's final offer exceeds the settlement pattern established by the city with other units through voluntary collective bargaining. The Union proposal, according to the Employer, is 1% higher than settlements between the city and other organized employee groups.

The Employer contends that no other local public employees are employed in occupations which are comparable to those in the waste water department. The Employer asserts that the water plant is a separate employing entity and that wages in the waste water department are closer to those paid in the water plant than those paid in other city units.

#### DISCUSSION:

The record discloses that the Union's final offer represents a net increase of 7.2% (8.4% gross increase) while the Employer's proposal amounts to a 7.1% net increase. 1979 settlements with other city units ranged from 7.1% to 7.5%; some representing the second year of a two year contract. Clearly, both proposals are consistent with other local settlements.

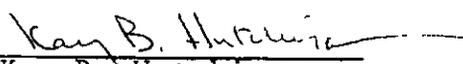
The parties agreed that implementation of either final offer would not alter Appleton's relative standing on wages among the surrounding waste water departments cited for comparison. However, the undersigned finds that the Union's final offer minimizes the disparity between the wages of employees in the waste water department and those of other local public employees in similar occupations, specifically those of water plant operator and water plant maintenance. This arbitrator is satisfied that the Union's offer will maintain the relationship of wages in the waste department to those in the water plant at a time of significant technological change in the waste water operation.

The undersigned, having considered the statutory criteria, the evidence and arguments of the parties, concludes that the final offer of the Union is the most reasonable, and makes the following:

#### AWARD

The final offer of the Union is to be included in the 1979 Collective Bargaining Agreement between the parties.

Dated this 8<sup>th</sup> day of November, 1979, at Madison, Wisconsin.

  
Kay B. Hutchison  
Mediator-Arbitrator